

Memorial Hospital Lafayette County 'MHLC'
August 24, 2016
MHLC Conference Room
Minutes from Monthly MHLC Committee Meeting

Present: MHLC Chair Jack Sauer; MHLC County Supervisors Wayne Wilson; Larry Ludlum; Bob Boyle; Dr. Matt Solverson; Bev Anderson; Homer Evenstad; Jack Wiegel; Administrator Julie Chikowski; COO Kathy Kuepers; MHLC Finance Manager Molly Wiegel; Finance Director Nicola Maurer; Executive Secretary Jody Tuescher; County HR Val Steiner

I. Call to Order

Mr. Sauer called the meeting to order at 8:00 a.m.

II. Posting

Mr. Sauer asked if the meeting had been properly posted. Ms. Tuescher reported that the meeting had been posted with notices at the Hospital, Health Department, Manor, Court House, County Website, and sent to the local media. Mr. Sauer declared the meeting to be legal.

III. Approval of Agenda - Discussion and possible action requested

Mr. Sauer presented the agenda and inquired if there were any changes. After a brief discussion Mr. Wilson made the motion to approve the agenda, seconded by Mr. Ludlum. Voice vote, motion passed.

IV. Minutes – Discussion and possible action requested

Mr. Sauer made the correction to the minutes that under number V. Mr. Wilson be added to the roll call vote. The motion to approve the minutes of the August 24, 2016 meeting with the change was made by Mr. Wilson and seconded by Dr. Solverson. Voice vote, motion passed.

V. Dept. Profit/(Loss) & Income Statement July 2016 – Molly Wiegel handed out the report reviewed:

- July monthly total net loss is \$185,615.
- July profit YTD is ahead of 2015 by \$94,116.
- July was a very slow month for the OR. The OR averages 140,000 in charges a month with July being 53,000.
- YTD Swingbed days are up from 2015 by 32 patient days.
- YTD acute inpatient days are up from 2015 by 45 patient days.
- YTD observation hours are up from 2015 by 3 patient hours.
- Comparing Department Current YTD Inpatient Revenue to Budget:
Med/Surg, Radiology, Pharmacy, and Therapy are above budget.
All other departments are below budget – due to a decrease in the ancillary service for an inpatient.
- Comparing Department Current YTD Outpatient Revenue to Budget:
Med/Surg, ER/Urgent Care, Outpatient Clinic, Therapy, Radiology, and Lab are above budget.
All remaining departments are below budget
- Total Clinical Expenses YTD:
Med/Surg, ER, Outpatient Clinic, Radiology, and Therapy are over budget.
All remaining departments are below budget.
- YTD net income is a loss of 149,683, which is a -1.33% total margin YTD.
- Account balances that were written off to charity care for 2016 amount to \$14,623, compared to 2015 amount of \$34,180

Balance Sheet

- Cash as of July 30, 2016 is \$1,192,089.

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- The Gross Accounts Receivable balance as of July 30, 2016 is \$2,838,726.
- We purchased the three capital items listed below in July. Bringing our total spent on capital to 63,045
 - Elite Body Plethysmograph at 1,150, Floor Scrubber at 5,786, and Compressor at 8,195

Aged Accounts Receivable

- The net days outstanding in accounts receivable is 54.41.
- 56.11% of our aging accounts receivable is in 0-30 days outstanding, and 19.24% are in 31-60 days outstanding.
- Self-pay balances July 2016 total \$537,874, compared to self-pay balances July 2015 total \$563,831.
- Currently for July 2016, 43% of our aging accounts receivable consists of Medicare and Medicaid.

Liabilities

Long term liabilities includes \$650,000 loan for the remodel of the outpatient clinic. Payments are being made monthly, and the current balance is listed at \$560,948.

Cash looks much better after we received the money back from Medicare and several other large payments came in.

The last three pages of the financial report are OT Report for July, Recent New Hires & AP Report. Dr. Solverson wanted to mention that IP & Swingbed numbers have increased – year to date looks very good. Stats are holding strong due in part to their new providers. OR is going to fluctuate now with the new 90 day mandate – patients are now required to have to wait 90 days and go through physical therapy and other avenues prior to being able to have their total joint surgeries done – Dr. Stormont is starting to pick up more surgeries now and will increase until the end of December when people are meeting their deductibles. General discussion continued.

Ms. Chikowski said that they have done an analysis of OT and it is mostly driven by Lab, OR & Radiology due to call ins – they all are tied together. IT has 23 hours of OT and Nick is working with Jason on some projects outside of the hospital – she has approved up to 20 hours a month of OT to get caught up on our projects but is going to make sure that any other is charged out to the other agencies. Kitchen OT was due to staff being off due to an injury off site. Radiology hours have changed temporarily to earlier in the evening – this will be changing back after staff leaves are completed.

After a general discussion the motion was made by Mr. Boyle to approve the financial report, seconded by Mr. Evenstad. Voice vote, motion passed.

VI. Audit of the Bills: - Discussion and possible action.

Ms. Wiegel referred to the last page of the financial report which was the AP Summary and reported that there was nothing out of the ordinary per Deb Krahenbuhl. Motion by Mr. Ludlum to approve the invoices, seconded by Mr. Wilson, voice vote motion passed.

Ms. Chikowski brought up that we have been getting a lot of feedback on the painting of the hospital and people are concerned that we are taking money that could otherwise be used for staff increases and those types of things. She would like to remind the committee that the hospital received \$150,000 donation to put toward capital improvements from the James Thomas Estate. This money was earmarked for capital improvements – therefore it cannot be utilized for staff increases or anything like that. We are asking for this committee to give us approval to pay for the painting of the hospital out of those special funds so we are not taking funds away that could otherwise go to increase the wages of the hospital staff. After a general discussion Mr. Boyle moved to approve to pay for the painting out of this fund. Motion was seconded by Dr. Solverson and he also wanted to make a comment to use this

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attention even though negative at the moment to bring about a good message. Tell them what the hospital's plan is for the future and what our vision is - we are going to get EPIC here which is going to allow our records to be more accessible to our Specialists, we have a lot of growth that's happening, i.e., we have an ER that saves lives, 1.5 jobs at the hospital that is created within the community is because of a healthcare job – that information needs to get out to the community and create a script for our employees, foundation and auxiliary members so they can share the correct information when questioned by community members. Therefore the community members should be sending their families to our hospital so they can support our community economy. It's nice that people want to talk about the color of the hospital, but talking about the big picture of where we are going – our vision and say this is what we are doing is more important right now. Mr. Sauer brought up a Facebook post which started with the comment that they didn't use the hospital but thought it was a dumb idea to paint it, then it went onto a whole realm of other comments that didn't have anything to do with painting at all, but the one comment made brought out a good point in that they didn't know why anyone was complaining - the last they knew almost every year the hospital has made money so it's really not taxpayer dollars that you paid in that is going to paint the hospital. Dr. Solverson made the recommendation as a board member that we create a script and give it to our employees, auxiliary and foundation members so when people ask about painting the hospital we can say we are glad you want to talk about this because we have a future we want to tell you about. We want to reinvest in our community by investing in health care in our community – this is the message we want them to see that this is truly an investment and we want to be in the healthcare business for a long time. We need to make the argument that the hospital has already donated \$2 million to the tax levy, they have created jobs, they have created this economic stability, they have created the stability of community, if you don't have the schools, churches & hospital you don't have the 3 legged stool of a mission of a community of how they've created communities. It was felt that by organizational building and community planning, we need to say that healthcare is going to exist in Lafayette County we want to have a say in it as local residents and we want to move forward.

Mr. Sauer said that there was a motion and a second that we approve the use of this special fund to pay for the painting – all in favor, voice vote, and motion passed.

After a lengthy discussion it was decided that several members get together and draft a press release or article to be published with all of this pertinent information.

Mr. Ludlum also wanted to comment that he felt that as a board member - once the board made a decision that it was up to the board to support that decision whether or not they agreed with it - if it passes by majority vote.

VII. Personnel – Discussion and possible action requested.

1. Staff Updates:

- Ms. Chikowski reported when Amie O'Brien was hired in the billing department it was written in the offer that if she passed her 6 month probation successfully she will receive a 50¢/hour raise. After a brief discussion the motion was made by Mr. Wiegel, seconded by Mr. Boyle to approve this request. Voice vote, motion passed. After brief discussion of whether or not it needed to go onto HR, it was decided that it was not necessary since it was written in the initial offer.
- We have interviewed 2 pharmacists and will be interviewing another one today. Matt McGowan will be leaving in October and we would like to refill the position so there will be some overlap and the ability for some orientation. General discussion continued.

VIII. Medical Staff Report – Discussion and possible action requested.

1. No appointments at this time.

2. Family Health/Hospital Communication:

Dr. Solverson reported that Brenda Husemann, APNP will be leaving on October 10, 2016. We are looking to replace her.

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- IX.** The motion was made by Mr. Wilson, seconded by Mr. Ludlum to go into Closed Session at Request of the Hospital Committee Pursuant to WI. Statute Section 19.85 (1)(e) for discussion regarding the investing of public funds and other specified public business as required for competitive and bargaining reasons so as to remain competitive in the marketplace.
Roll call vote: Mr. Sauer – Yes; Mr. Wilson – Yes; Mr. Ludlum – Yes; Mr. Boyle – Yes; Dr. Solverson – Yes; Ms. Anderson – Yes; Mr. Evenstad – Yes; Mr. Wiegel – Yes.
- X.** Motion by Mr. Wilson, seconded by Mr. Boyle to Reconvene to Open Session. Voice vote motion passed.
- XI.** Discussion and Possible Action, if necessary or appropriate, on matter discussed in closed session.
No action taken.
- XII.** The motion was made by Mr. Ludlum, seconded by Mr. Boyle to go into Closed session at the Request of the Hospital Committee Pursuant to WI Stats Sec. 19.85(i)(c) regarding to consider employment, promotion compensation or performance evaluation data of any public employee over which the governmental body has jurisdiction or exercises responsibility.
Roll call vote: Mr. Sauer – Yes; Mr. Wilson – Yes; Mr. Ludlum – Yes; Mr. Boyle – Yes; Dr. Solverson – Yes; Ms. Anderson – Yes; Mr. Evenstad – Yes; Mr. Wiegel – Yes
- XIII.** Motion by Mr. Ludlum, seconded by Mr. Boyle to Reconvene to Open Session. Voice vote motion passed.
- XIV.** Discussion and Possible Action, if necessary or appropriate, on matter discussed in closed session.
No action taken.
- XV. Management Report-Discussion and possible action requested**
Old Business
1. Nursing Buildout Update:
Ms. Chikowski stated that we are waiting for approval from the state – no other update at this time.
2. Strategic Planning Meeting:
No report at this time.

New Business
1. IT Requests:
No requests at this time.
- XVI. Set Next Meeting Date** – After a general discussion Mr. Sauer set the next meeting date to:

**Next Hospital Committee Meeting
September 8, 2016 8:00 a.m.
MHLC Downstairs Conference Room**

- XVII. Adjournment** – Mr. Wiegel made a motion, seconded by Mr. Boyle to adjourn the meeting. Voice vote, meeting was adjourned.